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**ADMINISTRATIVE STANDARDS FOR ELIGIBILITY AND ASSISTANCE PROGRAMS  
OBJECTIVES AND DEFINITIONS**

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**DIVISIONS 11     ADMINISTRATIVE STANDARDS FOR ELIGIBILITY AND ASSISTANCE PROGRAMS**

**CHAPTER 11-000 OBJECTIVES AND DEFINITIONS**

**11-001     OBJECTIVES     11-001**

The objective of Eligibility and Assistance Programs is stated within Welfare and Institutions Code Section 10001.

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- .1     This statute specifies that one of the purposes of public social services is:

"To provide on behalf of the general public, and within the limits of public resources, reasonable support and maintenance for needy and dependent families and persons."

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**11-003     DEFINITIONS     11-003**

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- .1     Welfare and Institutions Code Sections 10051, 10052, 10054, 10055, 10056, 10057, 10058, 10059, 10060, and 10061 state:

10051.     "Public social services" means those activities and functions of state and local government administered or supervised by the Department or the State Department of Health Services and involved in providing aid or services or both, including health care services and medical assistance, to those people of the state who, because of their economic circumstances or social condition, are in need thereof and may benefit thereby.

10052.     "Aid" means financial assistance provided to or in behalf of needy persons under the terms of this division, including direct money payments and vendor payments.

10054.     "Department" means the State Department of Social Services.

10055.     "Director" means the Director of Social Services.

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10056. "Board" means the State Social Services Advisory Board. Whenever any reference is made in any provision of law to the "State Benefits and Services Advisory Board", it shall mean the State Social Services Advisory Board.
10057. "Board of supervisors" means the county board of supervisors.
10058. "County department" means the county agency designated by the board of supervisors or by such other authority as may be provided in the county charter, as responsible for the administration of public social services.
10059. "County director" means the director or other chief executive of the county department.
10060. "Regulations" includes but is not limited to standards of eligibility for aid and services, procedures necessary for the proper and efficient administration of public social services, and standards as to conditions which must be met by agencies or individuals subject to licensing or supervision by the Department or the State Department of Health Services.
10061. "Public assistance" and "public assistance programs" refer to those public social services programs provided for in Part 3 of this division.

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11-005	<b>GOAL FOR CHILDREN IN FOSTER CARE MORE THAN TWENTY-FOUR MONTHS</b>	11-005
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- .1 It shall be the goal of this department to manage and control the number of children who reside in foster care for more than twenty-four months. The purpose of this section is to describe the plan which shall be followed to achieve this goal, and to evaluate the effectiveness of the plan in achieving this goal.
- .2 Description of Plan for Meeting Goal
  - .21 The state shall meet its goal of controlling the number of children in foster care more than twenty-four months by assuring that:
    - .211 All children, unless exempt, receive preplacement preventive services.
    - .212 All children receive family reunification services or, when family reunification is not possible or is inappropriate, permanent placement services.
    - .213 All children receive periodic reviews.
    - .214 All children receive permanency planning hearings.
    - .215 All children have in effect a service plan.
    - .216 Parental rights are protected in regard to the child's removal from the home, to changes in the child's placement and to any determination affecting visitation privileges of the parent.
    - .217 All children are visited by the placement worker no less frequently than once every six months.
    - .218 All children are placed in the least restrictive (most family like) eligible facility available and in close proximity to the home of the child's family, consistent with the best interests and the special needs of the child.

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.3 Determining State Performance in Relation to Goal

- .31 Except for children living with legal guardians, all children receiving an AFDC-FC payment shall be included in the goal evaluation.
- .32 The highest monthly average of children residing in foster care for more than twenty-four months during the course of a federal fiscal year shall be used to establish state performance.
- .33 Performance shall be established on a statewide basis.

.4 Specific Goal

- .41 The goal for the maximum number of children who have been in foster care for more than twenty-four months for the period of October 1, 1992 through September 30, 1993 shall be 36,000 children or 42.9 percent of the AFDC-FC caseload, excluding guardianship cases.
- .42 The goal shall be met when state performance is equal to or less than either the absolute number or the percentage specified in .41.

NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Section 471(a)(14)(A), Social Security Act.

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## CHAPTER 11-200 OPERATIONAL STANDARDS

### 11-201 ORGANIZATION 11-201

#### .1 Separation of Income Maintenance Function from Services Functions

##### .11 Purpose

The major objectives of separation of the reception, income maintenance and service functions are:

- .111 Greater recognition and appreciation of the individual's dignity, personal rights, and responsibilities.
- .112 Prompt and better focused services to those needing and desiring them, and prompt payment of aid to those eligible.
- .113 Better utilization of staff by assigning social workers exclusively to the service function and by assigning eligibility workers to the income maintenance and quality control functions.

##### .12 Structure

- .121 The income maintenance function for all aids shall be administered through a separate organizational line from that through which the service functions are administered.
- .122 Separation of functions is required in the organization of the county welfare department below the Office of Director.
- .123 In county welfare offices where the number of staff precludes complete separation of functions as specified above, they may be combined to the extent necessary.

#### .13 State Department of Social Services (SDSS) Approval of Separation Plan

The county plan for separation shall be subject to approval by SDSS.

### 11-204 ASSIGNMENT OF PERSONNEL 11-204

#### .1 Income Maintenance and Quality Control

Eligibility workers, or employees who meet comparable standards in the state approved county system, shall be used exclusively for income maintenance or quality control functions.

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**ADMINISTRATIVE STANDARDS FOR ELIGIBILITY AND ASSISTANCE PROGRAMS**  
**AFDC - FOSTER CARE RATES**

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**11-400 AFDC-FOSTER CARE RATES****11-400**

Definitions. For purposes of the Foster Care Program, the following definitions shall apply wherever the terms are used throughout Chapter 11-400:

- a.
  - (1) Assessed/Qualified Child - A child eligible to be placed in a certified group home program classified at rate classification level (RCL) 13 or RCL 14. The child must be assessed as seriously emotionally disturbed and in need of the level of services provided in the group home program classified at RCL 13 or RCL 14. The determination that a child is an assessed/qualified child shall comply with Section 11-402.182. An assessed/qualified child shall not be a child who needs inpatient care in a licensed health facility.
  - (2) Audit Period - The time period(s) which is reported in an Audit Report.
  - (3) Audit Report - A report issued by the Department in accordance with Section 11-430.113 concerning the audit findings in a program and/or fiscal audit. The report may contain one or more audit periods but shall represent only one overpayment for determining whether Sections 11-402.667 and 11-402.668 are applicable.
- b.
  - (1) Balancing - A method for the recovery of a full or partial overpayment by crediting an amount owed to a provider towards repayment of a sustained overpayment amount.
  - (2) Base Factor - The 1.0 weighting for each eligible hour of child care and supervision (CCS).
  - (3) Basic Rate - The rate paid on behalf of AFDC-FC child placed in a family home exclusive of any specialized care increment.
  - (4) Behavioral Science - The study of personal relationships, the results of which would improve a person's behavior, health, or happiness. Behavioral science subjects include, but are not limited to, child development, psychology, counseling and guidance, early childhood education, human services, nursing, social science, social welfare, social work, and sociology.
- c.
  - (1) "Certified Family Home" means a family residence certified by a licensed foster family agency and issued a certificate of approval by that agency as meeting licensing standards, and used only by the foster family agency for placements.
  - (2) Certified Group Home Program - A group home program, accepting only assessed/qualified children, that is classified at RCL 13 or RCL 14 and that is certified by the State Department of Mental Health or its designee as a program that provides mental health treatment services for seriously emotionally disturbed children.
  - (3) Child Care and Supervision (CCS) - One of the three program components of the standardized rate setting system.

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- (4) Child Care Duties - The duties required of the child care staff as provided for in Title 22, California Code of Regulations, Division 6, Section 84065.1(b) unless restricted by the August 30th Report, "FUNDING FROM OTHER SOURCES," page 6.

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Title 22, Section 84065.1(b) states:

"(b) Child care staff shall perform the following duties:

- (1) Supervision, protection and care of children individually and in groups at all times.
- (2) Assistance to each child in working with a group and in handling individual problems.
- (3) Administration of discipline and setting of limits for behavior.
- (4) Notation of the child's progress; identification of the possible need for professional services; and communication of such findings to professional staff."

The August 30th Report states:

**"FUNDING FROM OTHER SOURCES**

The Department recognizes that circumstances may arise when it is not clear whether staff hours associated with a particular activity fall into one of the program components used for classification purposes. Such circumstances will be determined by the Department on a case-by-case basis. As a general rule, however, the source of the revenue received by the group home provider to fund an activity will be used to make this determination.

For example, a group home program may have a staff (sic) person with professional qualifications in education who works with the children on their school work outside of the school classroom. Many children in foster care are below grade level and need special attention. If the provider receives funding for this activity through the education system, it is considered an educational activity, which is not one of the three program components used for classification purposes.

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However, if the provider is not otherwise funded for this activity, it may be considered a parental-type activity (helping one's child with his/her home work) that is allowable for funding under AFDC-FC and the hours will be counted as Child Care and Supervision for classification purposes. In "gray" areas such as this, considering the source of revenue used to fund an activity will allow the Department to avoid the possibility of duplication of funding from other public sources."

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- (5) Child Care Worker - A group home employee engaged in providing child care duties and who meets CCL licensing requirements as specified in Title 22, California Code of Regulations, Division 6.
- d. (1) Daily Supervision - all functions of the day-to-day care of the child, including assistance as needed with activities of daily living, personal care, planned activities, food services, incidental medical and dental as specified in California Code of Regulations, Title 22, Section 80409(a), and the assumption of responsibility for the safety and well-being of the child.
- (2) Date of Mailing - the date postmarked on the envelope if postage was prepaid and the envelope was properly addressed.
- (3) Department - the California Department of Social Services.
- (4) Direct Contact Contract - An agreement between a group home provider and a social worker, as defined in Section 11-400s.(4) exclusively for direct social work activities to children in care in accordance with Sections 11-402.212(a)(2)(A) and 11-402.222(d). The social worker that is eligible for double weighting shall be an Independent Contractor as provided by state and federal laws, including Section 3353 of the California Labor Code.
- (5) Director - the Director of the Department of Social Services.
- (6) Due Date - The date a group home rate application, a request for good cause or an additional information request is due. If this date falls on a weekend or a legal holiday, the due date is the next business day. If this information is mailed, it shall be postmarked on or before the due date.

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- (7) Duplicate - a facsimile copy of the original produced by photocopying or some other technique of accurate reproduction.
- e. (1) Eligible Hour - The unit of time which shall be subject to the allocation requirements contained in the August 30th Report, Page 5 (See Handbook Example following Section 11-402.211(a)(5)), in CCS, social work activities, or mental health treatment services which may be weighted to determine points. The following shall not meet the criteria of an eligible hour:
- (A) Any on-call hours for any personnel.
- (B) Any hour of service provided by an employee in direct contact with a child that is not child care and supervision, social work activities, or mental health treatment services.
- (2) Emergency Placement - The placement of a child placed prior to determination that the child qualifies as an assessed/qualified child where placement is in a certified group home program classified at RCL 13 or RCL 14. The child must be evaluated by a licensed mental health professional as described in Section 11-402.184.
- f. (1) Fail to Maintain - An unplanned group home program modification which decreases the level of care and services associated with the RCL upon which the rate was established.
- (2) Family Home shall be defined in accordance with Section 45-101.1.

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The term family home is defined in Section 45-101.1 as follows: Family Home - the family residence of a licensee in which 24-hour care and supervision are provided for children and which is licensed by the appropriate community care licensing agency or a family residence which is approved and which provides care and supervision. For rate setting purposes, the term family home shall include homes licensed as foster family homes, or small family homes and homes which are approved. See Section 45-101.1 for definition of approved home.

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- (3) First-line Supervisor - A group home employee responsible for the direct supervision of child care workers. This includes residential counselors, program specialists, nurses, and other supervisory staff, regardless of title, where there is documentation of direct supervision of child care workers.

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- (4) Fiscal Audit - A financial related audit of a group home program in the AFDC-FC program to determine the following: whether financial information is reported in accordance with regulatory requirements; whether the group home program has complied with specific financial requirements; and whether the group home program's internal control structure over financial reporting and expenditures ensures compliance with AFDC-FC program requirements. Financial related audits shall include, but not be limited to, the following:
- (A) Segments of financial statements.
  - (B) Financial information such as, statement of revenue and expenses, statement of cash receipts and disbursements, and statement of fixed assets.
  - (C) Internal controls related to compliance with applicable laws and regulations.
  - (D) Internal controls over financial reporting and/or safeguarding assets.
  - (E) Compliance with laws and regulations.
- (5) Fiscal Year - the state fiscal year which begins July 1 and ends June 30 of the following year, unless otherwise specified.
- (6) Formal Education - Completed college credits from an accredited or approved college or university.

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- (7) Formal Hearing - (A) An administrative review hearing conducted by an Administrative Law Judge to review a Report of Findings of an informal level hearing officer and group home program audit findings disputed by the group home provider in a Statement of Disputed Audit Findings not otherwise resolved at an informal hearing; or (B) An administrative review hearing to review the contention of a group home provider or foster family agency that does not concur with a rate setting protest decision letter pursuant to Sections 11-430.4 through 11-430.74.
- (8) Foster Family Agency shall be defined in accordance with Section 45-101.1.

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The term foster family agency is defined in Section 45-101.1 as follows: Foster family agency means any individual or organization engaged in the recruiting, certifying, and training of, and providing professional support to, foster parents, or in finding homes or other places for placement of children for temporary or permanent care who require that level of care as an alternative to a group home. Private foster family agencies shall be organized and operated on a nonprofit basis.

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- (9) Frozen Rate - A cost-based rate set by the Department prior to July 1, 1990 based on a program's actual historical costs which is greater than the standard rate for the group home program's rate classification level (RCL) on July 1, 1990.
- (10) Full-time Equivalent - A total of 40 hours for one week or a total of 173 hours for one month.
- g. (1) Good Cause - The inability to respond to a required action due to circumstances beyond the control of the group home provider/foster family agency including, but not limited to, natural disasters and emergency medical situations.
- (2) Group home shall be defined in accordance with Welfare and Institutions Code Section 11400(h).

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- (A) The term group home is defined in Welfare and Institutions Code Section 11400(h) as follows:

"'Group Home' means a nondetention privately operated residential home, organized and operated on a nonprofit basis only, of any capacity, that provides services in a group setting to children in need of care and supervision, as required by paragraph (1) of subdivision (a) of Section 1502 of the Health and Safety Code."

1. Health and Safety Code Section 1502(a)(1) states: "'Residential facility' means any family home, group care facility, or similar facility determined by the director, for 24-hour nonmedical care of persons in need of personal services, supervision, or assistance essential for sustaining the activities of daily living or for the protection of the individual."

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- h. (1) Host County - The county in which the majority of an agency's foster family homes or group home facilities are located. If the program has facilities in more than one county, the host county shall be that of the facility where the greatest number of children are placed.
- i. (1) Infant Supplement - the amount paid to an eligible facility in addition to the AFDC-FC payment for a minor parent for a child living with his/her minor parent(s).
- (2) Informal Hearing - An administrative review hearing conducted by a hearing officer to examine group home program audit findings disputed by the group home provider in a Statement of Disputed Audit Findings pursuant to Sections 11-430.12 through 11-430.146.
- (3) Inpatient Care in a Licensed Health Facility shall be defined in accordance with Health and Safety Code Section 1502.4(a)(2)(A) as follows:

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"'Inpatient care in a licensed health facility' means care and supervision at a level greater than incidental medical services as specified in Section 1507."

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- (4) Interagency Placement Committee (IPC) - A committee established by the county, with a membership that includes at minimum a representative of the county placement agency and a licensed mental health professional from the county department of mental health. The IPC determines whether a child whose placement is funded by AFDC-FC is an assessed placement and in need of the care and services provided by the group home program classified at RCL 13 or RCL 14.
- j. (Reserved)
- k. (Reserved)
- l. (1) Leaseback - For the purposes of these regulations, leasebacks are limited to the following business arrangements: affiliated leasebacks, less-than-arms' length leases, and long-term leases that create material equity pursuant to 45 CFR Part 74.174 and OMB Circular A-122, Attachment B, paragraphs 42(b) through (d).
- (2) Licensed Clinical Social Worker (LCSW) - An individual who has been licensed by the California Board of Behavioral Science Examiners to provide clinical social work services which may be defined as social work activity or mental health treatment services.
- (3) Licensed Marriage, Family and Child Counselor (LMFCC) - An individual who has been licensed by the California Board of Behavioral Science Examiners to provide marriage, family and child counseling which may be defined as social work activities or mental health treatment services.
- (4) Licensed Mental Health Professional - An individual who is a psychiatrist; licensed psychologist; licensed clinical social worker; or licensed marriage, family and child counselor as specified in Title 9, California Code of Regulations, Section 629 through 633.
- (5) Lien - A certificate lien established pursuant to Section 11466.33 of the Welfare and Institutions Code or any judgement lien created under Part 2, Title 9, Division 2, Chapter 2 (commencing with Section 690.010) of the California Code of Civil Procedure. If an amount is due and payable to the Department as a result of a sustained overpayment, the Department may, as one of its involuntary collection procedures, file a certificate lien with a county clerk and bring an action in superior court to seek a judgement lien.
- m. (1) Mandatory Repayment Schedule - Shall be defined in accordance with Section 11466.22(d)(4) of the Welfare and Institutions Code.



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Welfare and Institutions Code Section 11466.22(d)(4) states:

"The department shall establish an involuntary overpayment collection procedure, that shall take into account the amount of the overpayment, projected annual income, a minimum required repayment amount, including principal and interest, of 5 percent of the annual income prorated on a monthly basis, simple interest on the overpayment amount based on the Surplus Money Investment Fund, and a maximum repayment period of seven years. The department may establish regulations permitting the director at his or her discretion to renegotiate the involuntary payment agreement if the director determines that the agreement would cause severe harm to children in placement."

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- (2) Mental Health Clinical Hour - The unit of time for the provision of direct contact mental health treatment services, consisting of 50 minutes of time with the child and ten minutes of preparation.
- (3) Mental Health Treatment Services - One of the three program components of the standardized rate setting system. These services include the evaluation, treatment, and psychometric testing performed by a licensed mental health professional while the licensed mental health professional and the child are together. Also included are day treatment programs which are certified by the State Department of Mental Health.

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- n. (1) New foster family agency program - is one which:
  - (A) Serves an entirely different population at an entirely different level of service than that currently served by the foster family agency's existing program(s); and
  - (B) Is either based in different certified family home(s) than the current program(s) operated by the foster family agency, or the current program(s) operated by the foster family agency is replaced by an entirely new program.

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- (2) New foster family agency provider - is one who:
- (A) Has not operated a foster family agency or group home program for AFDC-FC funded children in the fiscal year preceding that for which the rate is being set; or
  - (B) Has operated a foster family agency in the fiscal year preceding that for which the rate is being set but did not accept AFDC-FC funded children during that fiscal year; and
  - (C) Has not merely added a new program; increased the level of services provided; changed incorporation; reorganized; or changed name, location, ownership or license.

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- (3) New Program - A new program provided by an existing provider is one in which:
- (A) The type of children to be accepted have measurable differences in their characteristics, behaviors, or need for care and services due to the type of background and any medical, mental, social or emotional conditions which are different than those children in the provider's existing program(s) as described in the new program statement; and
  - (B) The staffing pattern is quantitatively different, whether or not the RCL changes, because:
    - (1) The number of eligible hours per child per month in at least one program component is different from the provider's existing program(s); and
    - (2) The staff's professional levels for the proposed program are disparate from those in the provider's existing program(s).
- (4) New Provider - A sole proprietor, partnership, or corporate entity who has not operated a group home which receives funding from AFDC-FC or severely emotionally disturbed (SED) in the preceding fiscal year.
- (5) Nonprofit Organization - Any corporation which (1) is operated primarily for scientific, educational, service, charitable, or similar purposes in the public interest; (2) is not organized primarily for profit; and (3) uses its net proceeds to maintain, improve, and/or expand its operations.

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- o. (1) Offset - A payment to a group home program from government sources other than the AFDC-FC program and restricted donations from public and private sources specified to fund an allowable cost.
- (2) On-going Training - Training which is structured as a training session; announced ahead for a particular time and place; presented by a trainer qualified to train in the specific subject matter; any costs incurred for the trainer, tuition, conference fees, and employee's cost of attendance, including wages or salary, shall be paid by the provider; and relates directly to the program as described in the program statement.
- (3) Overpayment - A group home provider overpayment in the AFDC-FC program, established through a program or fiscal audit, is either a sustained overpayment defined in accordance with Section 11466.22(d)(2) of the Welfare and Institutions Code or a self-reported overpayment in accordance with Section 11466.22(d)(1) of the Welfare and Institutions Code in a rate application by a group home provider that is established for an audit period when a group home provider receives foster care maintenance payments to which it is not entitled.

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Welfare and Institutions Code Section 11466.22(d)(1) provides the following:

"(1) Overpayments shall be determined by either a group home provider audit or a group home provider self-reporting an overpayment."

Welfare and Institutions Code Section 11466.22(d)(2) provides the following definition of the term "sustained overpayment" after an audit has identified an overpayment:

"(2) If an informal hearing is not requested, or on the 60th day after an informal decision if a provider or the department does not file a notice of intent to file a formal appeal, or on the 30th day following a formal appeal hearing decision, whichever is latest, a group home provider overpayment shall be sustained for collection purposes and the department shall issue a demand letter for repayment of the sustained overpayment."

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- p. (1) Paid-awake - The hours in which staff are awake and reimbursed in a manner consistent with the Department of Industrial Relations.
- (2) Party - the group home provider, foster family agency, or the Department.
- (3) Placement Agency - shall be defined in accordance with Section 45-101.1.

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The term placement agency is defined in Section 45-101.1 as follows: Placement Agency means the agency with responsibility for placement and care of an AFDC-FC eligible child.

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- (4) Point(s) - The number calculated by the hours of service per child per month weighted by education, experience, training and/or professional level of the individual providing the service and divided by the greater of 90 percent of the group home program's licensed capacity or by 5.4, as provided for in the program classification methodology.
- (5) Primary Placing County - The county(ies) which places the greatest percentage of children in the group home program.
- (6) Program - A provider's unique combination of services to a specific population of children in one or more licensed group home facility(ies) as described in the program statement.
- (7) Program Change - Any alteration to an existing program planned by a provider to a group home that may affect, in any way, the RCL, the AFDC-FC rate, or the type of children in placement.
- (8) Program Classification - The computed RCL.
- (9) Provider - A group home provider is a licensee of one or more group homes, as defined in Section 11466.22(b) of the Welfare and Institutions Code, that receives foster care maintenance payments under the AFDC-FC program.

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Section 11466.22(b) of the Welfare and Institutions Code Section provides the following definition of the term "provider":

"(b) For the purposes of this section, a group home provider is a licensee of one or more group homes, as defined in subdivision (h) of Section 11400, receiving foster care maintenance payments under the AFDC-FC program. The department may collect a sustained overpayment from the party responsible for the sustained overpayment, regardless of whether the party remains in the business of providing group home programs, and regardless of whether the party remains licensed by the department."

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q. (Reserved)

r. (1) Rate Application - An application which consists of a Group Home Program Rate Application (SR 1, Rev. 12/94), Program Classification Report (SR 2, Rev. 12/94), Group Home Program Cost Report (SR 3, Rev. 11/94), Group Home Program Payroll & Fringe Benefit Report (SR 4, Rev. 10/94), Group Home Program Days of Care Schedule (SR 5, Rev. 10/94) and a training plan for the purpose of setting a rate from the following types of group home providers:

(A) A new group home provider rate application for a new program;

(B) An existing group home provider annual rate application, new program rate application, or program change rate application; or

(C) An application for a program reinstatement after a program's rate has been terminated.

(2) Rate Classification Level (RCL) - The rate category for a program whose calculated points fall into a specified point range.

(3) RCL Reduction - An involuntary collection procedure for recovering a sustained overpayment or a self-reported overpayment in a rate application from a group home provider who does not enter into a repayment agreement with the Department or a group home provider who has three outstanding payments on a repayment agreement prior to the sustained overpayment being repaid.

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- (4) Reasonableness Adjustment - Adjustments made to costs reported by a group home provider which are based on reasonableness limits, as specified in Section 11-402.828, for salary, shelter, and vehicle costs.
- (5) Repayment Agreement - Shall be defined in accordance with Section 11466.22(d)(3) of the Welfare and Institutions Code.

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Welfare and Institutions Code Section 11466.22(d)(3) states the following:

"The department shall establish a voluntary repayment agreement procedure with a maximum repayment period of nine years. The procedure shall take into account the amount of the overpayment, projected annual income, of the program that caused the overpayment, a minimum repayment amount, including principal and interest, of 3 percent of annual income prorated on a monthly basis, simple interest for the first seven years of the voluntary repayment agreement on the overpayment amount based on the Surplus Money Investment Fund, and simple interest for the eighth and ninth years of the voluntary repayment agreement based on the prime rate at that time plus 3 percent. The department may adopt regulations permitting the director, at his or her discretion, to renegotiate the volunteer repayment agreement if the director determines that the agreement would cause severe harm to children in placement."

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- (6) Residential Child Care Experience - Prior experience in providing direct child care worker duties to children residing in out-of-home care, including first-line supervision of child care workers.
  - (A) Qualifying experience shall include direct child care or direct supervision of child care workers at the group home program for which a rate is being requested and prior employment experience with direct responsibility caring for children or directly supervising child care workers in other group homes, county receiving home/shelters, youth authority camps and facilities, county juvenile halls and camps, juvenile detention facilities, public and/or private mental health day treatment programs, or as a licensed or certified foster parent.

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- (B) Qualifying experience shall include child care worker duties in nonresidential settings such as a teacher of specialized education, a juvenile probation officer, or a child protective services worker.
- (C) Qualifying experience shall include experience in child day care, residential adult drug and alcohol treatment programs, or mental health treatment programs when stated in the program statement that the specified population of children to be served by the program requires this experience.

- s. (1) Seriously Emotionally Disturbed (SED) shall be defined as in Welfare and Institutions Code Section 5600.3(a)(2).

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Welfare and Institutions Code Section 5600.3(a)(2) states:

"(a)(2) For the purposes of this part, 'seriously emotionally disturbed children or adolescents' means minors under the age of 18 years who have a mental disorder as identified in the most recent edition of the Diagnostic and Statistical Manual of Mental Disorders, other than a primary substance use disorder or developmental disorder, which results in behavior inappropriate to the child's age according to expected developmental norms. Members of this target population shall meet one or more of the following criteria:

- (A) As a result of the mental disorder the child has substantial impairment in at least two of the following areas: self-care, school functioning, family relationships, or ability to function in the community; and either of the following occur:
  - (i) The child is at risk of removal from home or has already been removed from the home.
  - (ii) The mental disorder and impairments have been present for more than six months or are likely to continue for more than one year without treatment.

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- (B) The child displays one of the following: psychotic features, risk of suicide or risk of violence due to a mental disorder.
- (C) The child meets special education eligibility requirements under Chapter 26.5 (commencing with Section 7570) of Division 7 of Title 1 of the Government Code."

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- (2) Set Rate - the per child/per month rate set by the Department for an AFDC-FC group home program or foster family agency pursuant to Section 11460, et seq. of the Welfare and Institutions Code.
- (3) Settlement Conference - A meeting between representatives of the Department and the group home provider to resolve a pending administrative appeal of a disputed audit finding which has reached the formal hearing level. If the parties and the Administrative Law Judge agree, a settlement conference may be held by telephone.
- (4) Social Work Activities - One of the three program components of the standardized rate setting system. These activities are as specified in the August 30th Report, Attachment A, subparagraphs (a) and (b) except as restricted by the August 30th Report, "FUNDING FROM OTHER SOURCES," page 6.

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Social work activities as provided in the August 30th Report state in relevant part:

- "(A) Development of needs and services plan; development of discharge plan; assessment to identify changing needs.
  - 1. Psychological and psychometric testing is not considered a social work activity.
- (B) Interaction (counseling) between the employee and the child and/or others aimed at preparing the child to analyze and better understand the situation is included in Social Work Activities. Specifically, this includes helping the child understand the reason for placement and to handle associated emotional problems, resolving the difficulties between child and family that led to the need for placement, and planning for the return of the child."

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- (5) Social Worker - An individual qualified to perform social work activities who has at least a Master's Degree, from an accredited or state approved graduate school, in social work or social welfare; marriage, family, and child counseling; child psychology; child development; counseling psychology; clinical psychology; social psychology; Master's Degree with another title, the purpose of which was to train persons to provide social work activities; or a Baccalaureate Degree in social work or social welfare and at least two years of experience in providing social work activities which may include social work activities performed in mental health settings.
  - (6) Specialized Care Increment - an amount paid to a family home in addition to the family home basic rate on behalf of an AFDC-FC child requiring specialized care because of health and/or behavior problems.
  - (7) Specialized Care Rate - the total rate paid on behalf of an AFDC-FC child requiring specialized care. Such rate includes both the family home basic rate and the additional specialized care increment.
  - (8) Specialized Care System - any mechanism utilized by a county to pay family homes, as defined in Section 11-400.2, a rate greater than the county's basic foster care rate on behalf of an AFDC-FC child placed in emergency shelter care or with care needs greater than those of a normal foster child, because of health and/or behavior problems.
- t. (1) Training Log - A compilation of documentation necessary to verify the on-going training that was provided to child care workers and first-line supervisors. Documentation for each training session shall include the date of training; location of training; title and a short paragraph about the subject of training; names and signatures of staff attending for training provided onsite by a group home provider or independent third-party verification for training that is provided offsite or by an entity other than the group home provider and their classifications; hours of training; name of trainer(s) and their qualifications; documentation showing provider paid any costs for training, including employee wages and benefits; listing of the materials distributed and used by the trainer; and type of training, i.e., in-person, video, onsite, offsite.

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- (2) Training Plan - A prospective fiscal year summary of on-going training to be provided for child care workers and first-line supervisors which shall include at a minimum, a projection of the total staff hours of training, the general subject matter of the anticipated training and any information within the categories listed under "training log" that are known to the provider at the time of application. A group home program's training plan must be submitted to the Department as part of the rate application process. Staff meetings that do not meet the definition of Section 11-400o.(2) shall not be considered training.
- (3) Transitional Housing Placement Program - an independent living training program for youth as specified in Welfare and Institutions Code Section 16522.

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The term transitional housing placement program is defined in Welfare and Institutions Code Sections 16522(a), (b) and (c) as follows:

"The State Department of Social Services shall develop programs in three counties upon the request of the county board of supervisors, to licensed private, nonprofit, or county operated facilities to provide transitional housing placement program services to persons at least 17 years old, and not more than 18 years old unless they satisfy the requirements of Section 11403, who are in out-of-home placement under the supervision of the County Department of Social Services or the County Probation Department, and who are participating in an independent living program. Transitional housing placement program services shall include any of the following:

- (a) Programs in which one or more participants in the program live in an apartment with an adult employee of the licensee.
- (b) Programs in which a participant lives independently in an apartment rented or leased by the licensee located in a building in which one or more adult employees of the licensee reside and provide supervision.
- (c) Programs in which a participant lives independently in an apartment rented or leased by a licensee under the supervision of the licensee if the State Department of Social Services provides approval."

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- u. (1) Underpayment - An amount owed to a group home provider by the Department.
- v. (Reserved)
- w. (1) Weighting/Weighted - The factor applied to the eligible hours in each of the three program components to determine the number of points.
- x. (Reserved)
- y. (Reserved)
- z. (Reserved)

NOTE: Authority cited: Sections 10553, 10554, 11462(i) and (j), and 11466.1, Welfare and Institutions Code and Chapter 1294, Statutes of 1989, Section 23. Reference: Sections 1200, 1250, 1502(a)(1), and 1502.4, 1502.4(a)(1), and (a)(2)(A), and (b), Health and Safety Code; Section 3353, California Labor Code; Sections 4096, 4096(e)(2), 4096.5, 5600.3(a)(2), 10852, 11226, 11228, 11230, 11231, 11232, 11233, 11234, 11235, 11236, 11400(h), 11460, 11461.1, 11462, 11462.01(a)(2)(A)(i) and (ii), 11462.01(a)(2)(B)(i), 11462.03, 11466.1, 11466.2, 11466.22, 11466.3, 11466.31, 11466.33, 11466.34, 11468, 11468.6, 16522(a), (b), and (c), and 18350, Welfare and Institutions Code, Assembly Bill 2129, Chapter 1089, Statutes of 1993; Senate Bill 415, Chapter 950, Statutes of 1993; The Classification of Group Home Program Under the Standardized Schedule of Rate System Report, August 30, 1989, and Title 8, California Code of Regulations, Section 11050, Industrial Welfare Commission Order 5-89.

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.1 Family Home Basic Rates

- .11 The family home basic rate shall include but not be limited to the cost of, and the cost of providing, the following items:
  - .111 Food
  - .112 Clothing
  - .113 Shelter
  - .114 Daily supervision
  - .115 School supplies
  - .116 Personal incidentals
- .12 In addition to the items specified in .11 above, the family home basic rate shall be allowed to include the cost of, and the cost of providing, the following:
  - .121 Reasonable travel to the child's home for visitation.
  - .122 Liability insurance which covers the child.
- .13 Counties shall adjust existing county basic rate age group categories to conform with the age group categories specified in Welfare and Institutions Code Section 11461, in the first fiscal year after June 30, 1983 in which a cost-of-living increase is provided in accordance with Welfare and Institutions Code Section 11453.
- .14 Counties shall determine basic rates for AFDC-FC children placed in family homes in accordance with Welfare and Institutions Code Section 11461(a), (b) and (c).

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.141 Welfare and Institutions Code Section 11461 provides generally:

- (a) Except as provided in (b) and (c) below, counties shall make payments in accordance with the updated rate schedule shown below.

Beginning July 1, 1983, the law provides for the Basic Rates shown below to be adjusted annually for changes in the cost-of-living in accordance with the procedures in Welfare and Institutions Code Section 11453, subject to the availability of funds.

The updated schedule for 1985/86 reflects a four percent increase over the 1984/85 rates, as provided for in the Budget Act of 1985.

(1)	BASIC RATE	UPDATED SCHEDULE
AGE	FOR 1982/83	FOR 1985/86
0-4	\$269	\$291
5-8	\$292	\$316
9-11	\$312	\$337
12-14	\$346	\$374
15-20	\$377	\$408

- (b) Any county that, as of June 30, 1982, has a basic rate in effect which is below the levels set forth in the above basic rate schedule shall increase the county basic rate by amount(s) determined by the Department, each fiscal year in which a cost-of-living increase is provided in accordance with the procedures in Welfare and Institutions Code Section 11453, until such increases raise the county basic rate to the levels in the schedule in effect at the time.

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- (c) For any county that, as of June 30, 1982, has a basic rate in effect which exceeds the levels set forth in the above basic rate schedule, increases in the level of state participation in the county's basic rate shall be limited to:
  - (1) 70 percent of the cost-of-living granted in accordance with the procedures in Welfare and Institutions Code Section 11453 during the first year such cost-of-living increase is provided; and
  - (2) 50 percent in subsequent years until cost-of-living adjustments to the above schedule eliminate the difference between such rate schedule and the level of state participation in the county's basic rate.

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- .15 Counties shall implement cost-of-living adjustments by October 1 of each fiscal year in accordance with the provisions of Section 11-401.141.
- .2 Family Home Specialized Care Rate Determination
  - .21 Counties shall determine the specialized care rate in accordance with .211 and .213 below and Welfare and Institutions Code Section 11461(d):
    - .211 Counties shall separately identify their basic rate and specialized care increment which comprise the specialized care rate using the county's basic rate schedule in effect as of July 1, 1982.
      - (a) Any county that currently does not separately identify the basic rate and specialized care increment from the specialized care rate shall subtract the July 1, 1982 basic rate from the specialized care rate. The remainder shall be the county's July 1, 1982 specialized care increment.

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- .212 Welfare and Institutions Code Section 11461(d) states in part:
- (a) Beginning July 1, 1982, increases to the county's specialized care increment for any given fiscal year shall not exceed the percentage cost-of-living increase granted in accordance with Welfare and Institutions Code Section 11453 for that year.

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- .213 The specialized care rate shall be the sum of the basic rate as determined in .14 above plus the specialized care increment as determined in .211 above and Welfare and Institutions Code Section 11461(d).
- .3 Family Home Specialized Care Rate System
- .31 Beginning July 1, 1984, counties with existing specialized care systems shall:
- .311 be permitted to retain such systems; and
- .312 provide the Department with a description of their family home specialized care payment practices as required by Section 11-425.15.
- .32 Modification or Adoption of a System
- .321 Beginning July 1, 1984 and subject to departmental approval, counties shall be permitted to modify an existing system or adopt a new system if the county demonstrates that General Fund costs for AFDC-FC payments will not increase as a result of the new or modified system.
- .322 Modification means any change which affects:
- (a) the population to be served;
- (b) the type of eligible facilities utilized;
- (c) the amount paid; or
- (d) the method of determining the amount paid.

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.323 Any county wishing to modify or adopt a specialized care system shall submit a proposal to the Department which describes the county's current specialized care system, if applicable, and the county's proposed system.

(a) The proposal shall include the following:

- (1) characteristics and number of the current specialized care population and the proposed population, including types of behavior and/or health problems for which a specialized care rate is currently paid and/or for which a specialized care rate would be paid under the proposed system;
- (2) types and number of facilities presently caring for this population, and types and number of facilities the county is proposing to use;
- (3) cost of the current specialized care population and estimated cost of care for the proposed system;
- (4) projected caseload shifts from:
  - (A) number of children in family homes receiving the basic rate to number of children in family homes receiving a specialized care rate; and
  - (B) number of children in group homes to number of children transferred from group homes to family homes receiving specialized care rates.
- (5) The effect of the county's proposed system on children already receiving a specialized care rate for their placements;



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- (6) the county's process for approval of the specialized care for individual children under the current and the proposed systems;
- (7) proposed implementation plan and date; and
- (8) a comparison of net state General Fund expenditures for AFDC- FC payments before and after the proposed modification or adoption of the system.

.33 Conditional Review and Approval

.331 Upon receipt of a county proposal for modification or adoption of its system, the Department shall review the following:

- (a) the proposal submitted by the county;
- (b) comparable data on the Foster Care Information System (FCIS); and
- (c) any other information which will assist the Department to evaluate the county's proposal.

.332 After review of all pertinent information, the Department shall notify the county in writing that its plan has either been granted conditional approval or rejected.

- (a) If the plan is rejected, the Department shall notify the county in writing of the reasons for rejection.

.34 Final Review and Approval

.341 Within one year from the implementation date of a county proposal, the Department shall review the available data for that county as follows:

- (a) change in number and percent of children placed in family homes and group homes;

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- (b) change in number and percent of children receiving specialized care;
  - (c) change in the ratio between group home and family home population and cost, exclusive of the specialized care population and cost;
  - (d) change in overall cost of family home and group home care, adjusted for cost-of-living increases granted by the Legislature for relevant fiscal year(s);
  - (e) change in overall cost of specialized care;
  - (f) change in proportion of children receiving specialized care in relation to total AFDC-FC population;
  - (g) any other information requested by the Department which will assist the Department to determine whether the county's specialized care system is meeting its fiscal objectives.
- .342 If the county's system has not increased General Fund expenditures for AFDC-FC payments, the Department shall grant final approval.
- (a) This approval shall remain in effect until such time as the Department determines that General Fund expenditures for AFDC-FC payments have increased as a result of implementation of the new or modified system.
- .343 If, as a result of implementation of the new or modified system, the Department determines that General Fund expenditures for AFDC-FC payments have increased, the Department shall rescind approval and notify the county in writing that the county shall have 60 days to revert to the family home payment practices which were in effect in the county when the county requested approval of the new or modified system as specified in Section 11-401.32.
- (a) The written notice shall contain a statement of the reason(s) for rescission of the approval.

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.4 Out of County Placements

.41 When a child is placed in a family home located in a different county than the county with payment responsibility, the county with payment responsibility shall pay the basic rate of the host county.

.42 When a child is receiving a specialized care rate in accordance with .2 above and is placed in a family home located in a different county than the county with payment responsibility, the county with payment responsibility shall:

.421 pay the host county specialized care rate; or

.422 pay its own specialized care rate if the host county has no specialized care system.

.5 Expiration Date

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.51 Welfare and Institutions Code Section 11461(e) provides that Welfare and Institutions Code Section 11461 shall remain in effect only until December 31, 1985 and as of that date is repealed unless a later enacted statute chaptered prior to that date extends or deletes that date.

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NOTE: Authority cited: Sections 10553 and 10554, Welfare and Institutions Code. Reference: Section 11468, Welfare and Institutions Code.